

**THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY
REBUTTAL TESTIMONY OF RICHARD F. JOYCE
D.T.E. 01-95**

Q. Please state your name and title.

A. Richard F. Joyce, Director of the Wellesley Municipal Light Plant.

Q. Have you filed previous Testimony with the Department with respect to Olin College's Petition?

A. Yes I have.

Q. Are there parts of BECo's testimony that the WMLP would like to respond to?

A. Yes. What is important to note is that even when BECo offers the examples of fringe customers (Mr. Niro's Testimony, pages 17 to 22), BECo is careful not to include the most recent "fringe" Needham customer. BECo has requested that the WMLP serve this customer, Massachusetts Water Resource Authority ("MWRA").

Q. Is BECo aware of this customer?

A. Yes. It was BECo that determined that the WMLP should provide electric service to this Needham customer in September 2000. The WMLP also brought this particular customer to BECo's attention in its response to BE-4-4 and Richard F. Joyce's testimony of March 11, 2002.

Q. Why would BECo not want to include the MWRA within Mr. Niro's response?

A. I do not believe BECo wants to apply the same standards it used in its MWRA determination for Olin College. In other words BECo appears to have one set of standards for the MWRA and a different set of standards for Olin.

Q. Are there any similarities between the MWRA and Olin College?

A. BECo's Vice President Charles W. Kiely's correspondence of September 19, 2000 (Exhibit A) lists four underlying facts why this Needham location should be served by the WMLP rather than BECo. Three of the four facts are exactly the same as in the Olin situation.

Q. Would you please identify the three facts and explain the similarities with Olin?

A. 1. In the second paragraph of Mr. Kiely's letter BECo refers to the MWRA's closer proximity to WMLP electric facilities compared to BECo. In the case of Olin College the existing WMLP electric service was so close to Olin College that some electrical structures "... had to be relocated to facilitate construction of Olin's new campus". This is in: Mr. Hannabury's 2/20/02 Affidavit, ¶2; and the OPPOSITION OF FRANKLIN W. OLIN COLLEGE OF ENGINEERING TO MOTION OF BOSTON EDISON COMPANY, d/b/a NSTAR ELECTRIC, TO JOIN BABSON COLLEGE AS A PARTY OF THIS PROCEEDING, page 2).

2. The second reason BECo provided for WMLP to service the MWRA was that due to the proximity of existing electric facilities it would be less expensive for the MWRA to receive electricity from the WMLP. On page four of the Affidavit of Stephen Hannabury filed with the Department on November 9, 2001, Mr. Hannabury states:

"Although some expenditures would be required for making the connection with WMLP, the total capital cost of providing service to the new campus area from NStar at the level of service both required by Olin and available from WMLP is in the range of \$1,140,000 greater than from WMLP, assuming NStar gives full credit. Without such

credit, just the capital costs of connecting to NStar will approximate \$1,740,000 greater than connecting to WMLP.”

The WMLP already has existing three-phase service to a central distribution point on the Babson Campus. If Olin and Babson utilize a single switchgear configuration at the central distribution point existing WMLP lines are more than adequate to serve Olin. WMLP’s infrastructure costs to serve Olin at this delivery point, which is Olin’s preferred delivery point, is about \$18,000. The WMLP cost of connection is much less than BECO’s cost of connecting Olin College.

3. The final reason noted by BECo was the WMLP’s willingness to serve this account. In its November 29, 2001 *Petition To Intervene* the WMLP states on page 2 “... that it is ready, willing and able to serve the campus in Needham in the same manner that WMLP is authorized to serve the nearby Cartright Road area in Needham, see Foley, D.P.U. 86-45 and 86-144 (1987) and Grove Street, see Design/Housing, Inc. D.T.E. 00-23,”. It is important to emphasize the words “ready” and “able”. It is impossible to be more “ready” than the WMLP where existing lines and equipment are already installed as a result of providing electric service to Babson’s Wellesley and Needham campus for more than 80 years. It is also impossible to be more “able” to provide the quality of electric service required by Olin. The WMLP has not experienced an outage in this service area for at least 7 years.

Q. What is the one dissimilarity between the MWRA and Olin?

- A. In providing electric service to the MWRA BECo’s anticipated revenues did not warrant BECo’s required expenditures.

Q. What standards does the WMLP feel the Department should apply with respect to the Olin Petition?

A. The WMLP's position all along has been that from WMLP's perspective the Olin Petition is simply a service territory dispute. The DTE should base its decision on which utility has provided electric service to this location in the past. Using this criteria there is no debating the fact that the WMLP should be the electric service provider. The discovery and testimony (BECO's responses to WMLP-2-3, 2-4, 205, 2-6, 2-7 and 2-10 and my testimony at pages 2-4 and WMLP's response to BE-8-7) show that only WMLP has served the property brought before the Department by Olin's Petition while BECO has never served this property.

Q. Please describe WMLP's electric service to the property which is before the Department in this proceeding pursuant to Olin's Petition.

A. WMLP provided electric service to the parking lots and streetlights on the property which is before the Department in this proceeding pursuant to Olin's Petition. In Olin's construction of its college it is placing two significant buildings on the very property to which WMLP provided electric service and power. This service is set forth in a map which is attached as Exhibit 1 to this Rebuttal Testimony. Hence this property is part of the WMLP's service territory.

Q. What other criteria do you think should be used in the Department's deliberations?

A. From a customer perspective, I believe its paramount that all Massachusetts electric customers are treated fairly. No customer should be penalized or subjected to a different standard or forced to unnecessarily expend significant sums of monies just to satisfy a utility's profitability criteria.

BECO's attempt to establish one set of rules for one customer, the MWRA, and an entirely different set of rules for Olin undermines the creditability and integrity of the whole regulatory process. A process whose very existence is predicated on

the protection of consumer rights and to ensure all customers are treated equitably.

Q. You have testified above to the economic difference between WMLP and BECo serving Olin College, do you have any more testimony on this case?

A. Yes. Olin College would be a customer under WMLP's Large General Service – Primary, Rate Schedule PRI-1, MA DUP# 92-5. The weighted average rate under this Tariff for fiscal year 2001 was is about 7.0 cents per kWh. This rate is significantly below BECo's G-3 rate under which BECo would serve Olin. Furthermore, the rate under the WMLP Tariff should decrease to below 6.5 cents effective June 1, 2002 due to WMLP entering into a new long term power supply agreement.

Q. Does this conclude your Testimony.

A. Yes it does.